



# Healthy Indiana Plan 2.0



# Consumer-Directed Healthcare: *An Indiana Tradition*



# Consumer-Directed Plans

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## Education

- Educate individuals about their coverage
- Provide information about costs and benefits

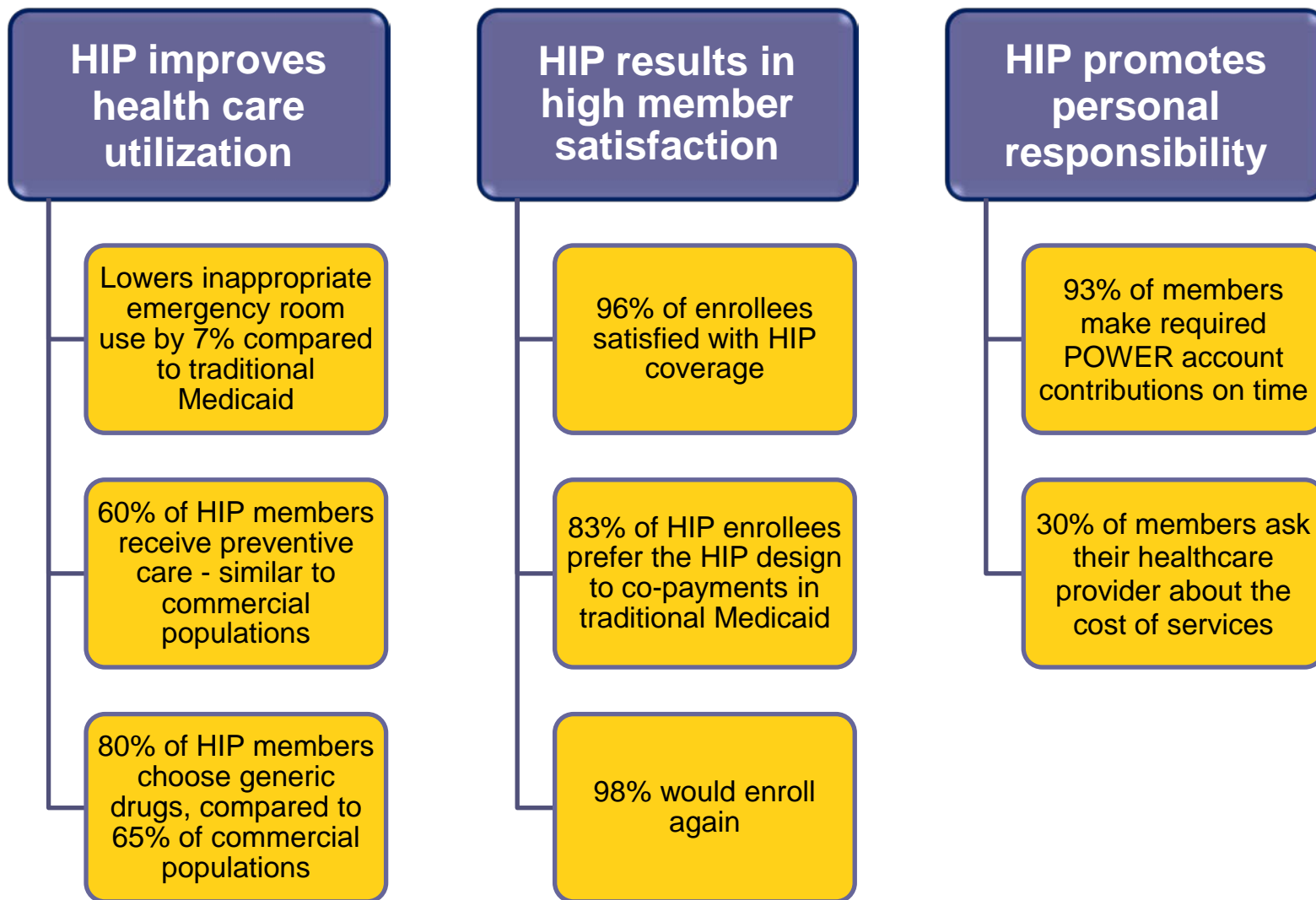
## Engagement

- Encourage individuals to act as consumers
- Consider cost & quality in health decisions

## Responsibility

- Foster personal responsibility for health
- Encourage positive, long-term behaviors

# HIP Success



# COVERAGE GAP...

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+ @GovPenceIN

»»» COVERAGE GAP:  
**350,000**  
UNINSURED HOOSIERS

**#HealthyIndiana**

# Indiana's Commitment to HIP

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## **Expansion or Continuation:**

### 2 Proposals to the Federal Government

#### **PROPOSAL #1**

Eliminate traditional Medicaid for all non-disabled adults & Expand HIP to Hoosiers below 138% of the federal poverty level through HIP 2.0.

#### **PROPOSAL #2**

If HIP Version 2.0 is not approved, continue the existing program.

# Healthy Indiana Plan

## *Version 2.0*



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Health Coverage = Peace of Mind

# HIP 2.0: Key Goals



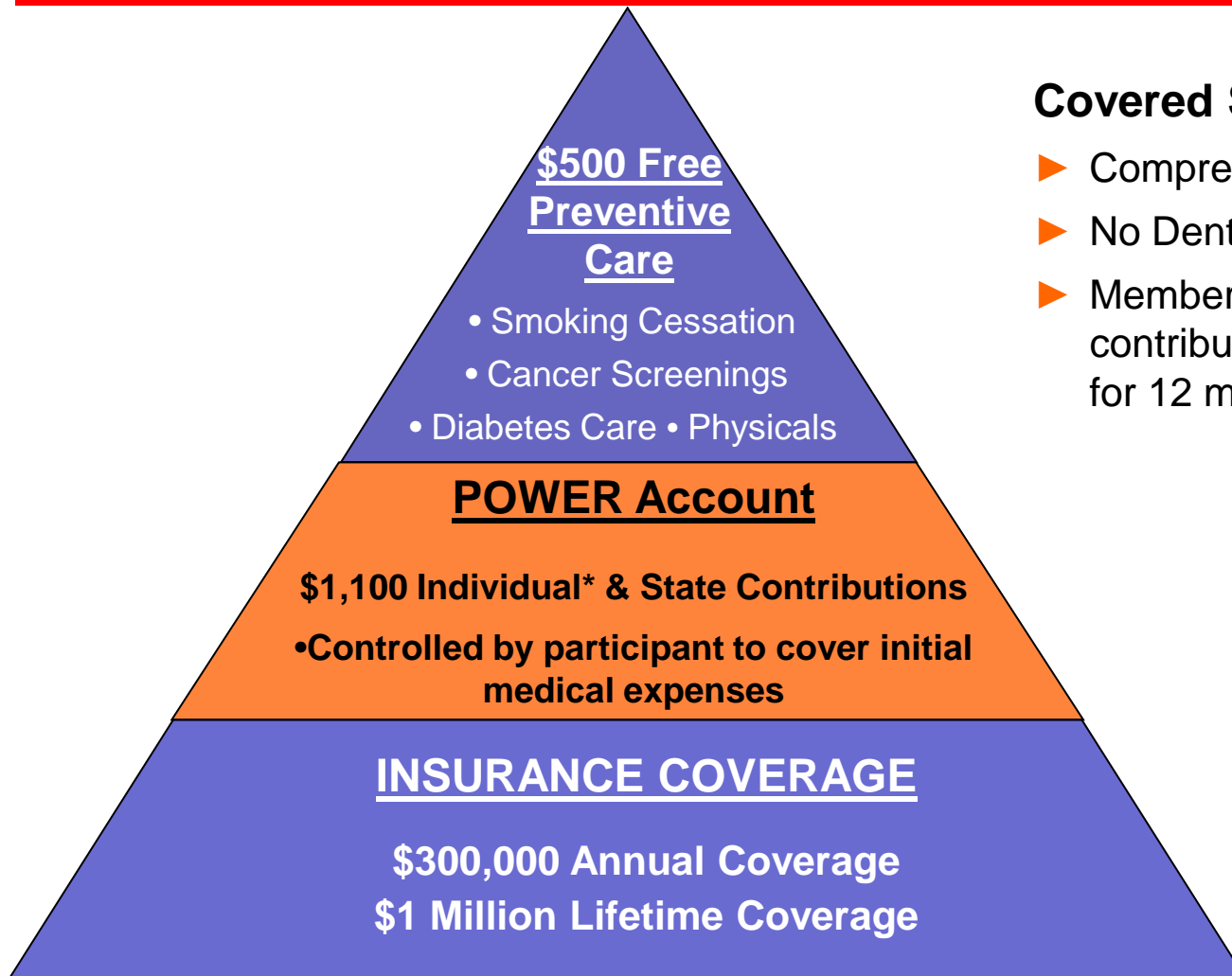




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# ***Plan Structure***

# Current HIP Plan Structure



## Covered Services

- ▶ Comprehensive Benefits
- ▶ No Dental, Vision or Maternity
- ▶ Members that do not make contributions are dis-enrolled for 12 months



\*Individual contribution not to exceed 5% of gross annual household income

# HIP 2.0 Benefits

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- ▶ Remove annual and lifetime limits.
- ▶ Add maternity coverage
- ▶ Includes several different plan designs which vary by specific benefits included and mechanism for cost-sharing.
- ▶ Maintain POWER account for all participants
  - Increase account to \$2500

# HIP Plus



- ▶ For all Hoosiers with incomes below 138% FPL.
- ▶ HIP member and State jointly fund POWER account.
- ▶ No other required contribution/cost-sharing except for non-emergency use of ER.
- ▶ Includes comprehensive medical as well as dental and vision.
- ▶ Covers maternity services with no cost-sharing for the duration of pregnancy.

# New Affordable Contributions

## HIP 2.0 POWER Account Contributions

FPL	Monthly Income Single Individual	Monthly Contribution
<22%	\$214	\$3
23%- 50%	\$224 to \$487	\$8
51%- 100%	\$496 to \$973	\$15
101%- 138%	\$983 to \$1,342	\$25

- Penalties for members that do not make contribution

### Non-payment Penalties:

<100%  
FPL

Maintains  
coverage  
through HIP  
Basic Plan

Copays for all  
services

>100%  
FPL

Disenrolled for  
six months

- Lower, flat rate contributions

# HIP Basic Plan

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- ▶ Available to Hoosiers below 100% FPL.
- ▶ More limited benefit package than HIP+
  - No vision or dental benefits
  - Lower service limits for some therapies
- ▶ Requires co-pays for all services
- ▶ POWER account in place but without member contributions
  - Preserves incentives to be cost-conscious and pursue preventive care.
- ▶ Covers maternity with no cost sharing.

# HIP Basic Plan Co-pays

Alternative co-payment schedule for members below 100% FPL who fail to make POWER account contributions

Service	HIP Basic Co-Pay Amounts ≤100% FPL
Outpatient Services	\$4
Inpatient Services	\$75
Preferred Drugs	\$4
Non-preferred drugs	\$8
Non-emergency ED visit	Up to \$25

# HIP Link

- ▶ Provides financial support to members who wish to access employer-sponsored insurance.
- ▶ POWER Account in place
  - Monthly contributions by member
  - Contributions by State
  - Funds premiums, co-pays, deductibles.
- ▶ Will not be in place until sometime in 2016.



# Benefit Plan Comparison

	HIP Basic	HIP Plus	State Plan Benefits	HIP Employer Benefit Link
<b>Covered Groups</b>	<ul style="list-style-type: none"> <li>Income below 100% FPL</li> <li>Fail to make POWER account contribution</li> </ul>	<ul style="list-style-type: none"> <li>Income up to 138% FPL</li> <li>Consistent POWER account contributions</li> </ul>	<ul style="list-style-type: none"> <li>Medically frail</li> <li>Very low income parents</li> <li>Pregnant women</li> </ul>	<ul style="list-style-type: none"> <li>Optional for all HIP eligible individuals with access to cost-effective employer-sponsored insurance (not medically frail)</li> </ul>
<b>Cost-sharing</b>	<b>Co-payments for all services:</b>	POWER Account Contributions  <b>No Other Co-payments, except:</b> <ul style="list-style-type: none"> <li>Non-emergency ED visit: \$25</li> </ul>	<b>Co-payments or POWER account contribution</b> (pregnant women are exempt from cost-sharing)	POWER account can be used for premiums, copays, or deductibles
<b>Benefits</b>	<ul style="list-style-type: none"> <li>Lower service limits</li> <li>Limited drug formulary</li> </ul>	<ul style="list-style-type: none"> <li>Vision &amp; dental benefits</li> <li>Increased service limits</li> <li>Comprehensive formulary</li> </ul>	Current Medicaid Benefits as required by federal law	<ul style="list-style-type: none"> <li>Employer Plan Benefits</li> </ul>



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# ***Summary & Next Steps***

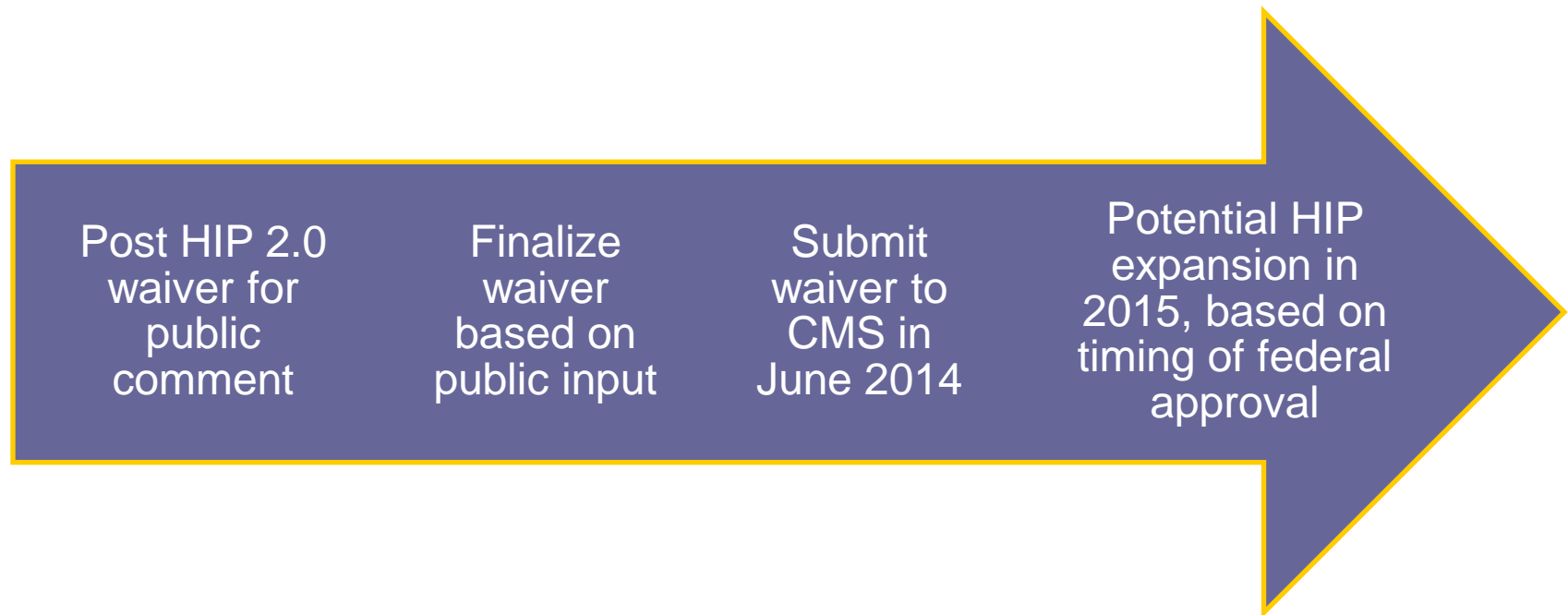
# HIP 2.0 Summary

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- Builds on the success of HIP
- Maintains fiscal responsibility
- Offers choices for members
- Emphasizes personal responsibility
- Promotes private market coverage
- Enhances provider networks
- Promotes healthy Hoosiers

# Next Steps

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To comment on the HIP 2.0 waiver application,  
email: **HIP2.0@fssa.in.gov**.



There are two futures in health care – government-directed or consumer-driven. **Indiana has chosen consumer-driven health care.**

— GOVERNOR PENCE

